

In re)
)
) **Decision on Petition**
) **Under 37 C.F.R. § 10.170**
)
)

MEMORANDUM AND ORDER

(Petitioner) petitions the Commissioner regarding the decision of the Commissioner¹ on Petitioner's request for a regrade of the afternoon section of the registration examination (exam) held on August 26, 1998. The Commissioner's decision denying a passing grade, mailed July 23, 1999, was a final agency action.

Petitioner requests relief “Under 37 CFR § 1.182” for reconsideration of the regrading procedure and another review of his exam answers. Rule 1.182 pertains to 37 C.F.R. Part 1, “Rules of Practice in Patent Cases.” Petitioner’s requests do not concern a patent case. Petitioner’s requests concern regulations set out in 37 C.F.R. Part 10, “Representation of Others Before the Patent and Trademark Office.” Thus, Rule 1.182 is not pertinent to Petitioner’s requests, and relief is not available under Rule 1.182. Since Petitioner also requests a waiver of the exam requirement under Rule 10.170, the petition will be treated as a petition under Rule 10.170. The petition is denied.

¹ On March 29, 2000, the title Commissioner of Patents and Trademarks was changed to Director of the United States Patent and Trademark Office pursuant to P.L. 106-113. This decision will use the title Commissioner for consistency in this case record.

BACKGROUND

Applicants for registration to practice before the United States Patent and Trademark Office (USPTO) in patent cases, who took the exam held on August 26, 1998, were required to achieve a passing grade of 70 in both the morning and afternoon sections of the exam. Petitioner passed the morning section, but scored 64 on the afternoon section. On January 4, 1999, Petitioner filed a timely request for regrade pursuant to 37 C.F.R. § 10.7(c).² Petitioner requested regrading of seven two-point questions on the afternoon section, arguing that the model answers were incorrect. On July 23, 1999, the Commissioner regraded Petitioner's score by adding four points, but denied Petitioner a passing grade. On September 20, 1999, Petitioner filed the present petition. The Office misplaced the petition. On May 11, 2000, Petitioner provided a copy of the petition, and on May 31, 2000, Petitioner provided evidence that the USPTO had processed his petition fee on October 1, 1999. Petitioner needs two more points for a passing grade.

OPINION

The Commissioner has statutory authority to require persons representing other parties before the USPTO to show that they are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications before the Office. The statutes relating to

² “Within two months from the date an applicant is notified that he or she failed an examination, the applicant may request regrading of the examination upon payment of the fee set forth in § 1.21(a)(6). Any applicant requesting regrading shall particularly point out the errors which the applicant believed occurred in the grading of his or her examination.” 37 C.F.R. § 10.7(c).

the character and conduct of agents, attorneys, and other persons representing applicants for patents before the Office “represent[] congressional policy in an important field.”

Kingsland v. Dorsey, 338 U.S. 318, 319 (1949). “[T]he Commissioner has the discretionary authority to regulate the practice of patent agents before the PTO.”

Premysler v. Lehman, 71 F.3d 387, 389, 37 USPQ2d 1057, 1059 (Fed. Cir. 1995).

The statute assigning powers and duties to the Office, 35 U.S.C. § 2(b)(2)(D),³ states, in part:

(b) Specific Powers-- The Office . . .

(2) may establish regulations, not inconsistent with law, which . . .

(D) may govern the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they . . . are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications before the Office.

(Emphasis added).

Pursuant to this authority, the USPTO adopted 37 C.F.R. § 10.5, establishing a register of attorneys and agents entitled to represent patent applicants before the Office. An individual wishing to be registered must “[a]pply to the Commissioner.” 37 C.F.R. § 10.7(a)(1). The individual must then establish to the satisfaction of the Director of OED that the individual has sufficient legal, scientific and technical qualifications to render valuable service to patent applicants by, *inter alia*, taking and passing a registration examination. 37 C.F.R. § 10.7(b) (“The exam will not be administered as a mere academic exercise.”).

³ Prior to March 29, 2000, the relevant authorizing text was set out in 35 U.S.C. § 31.

On October 30, 1998, the Director of the USPTO's Office of Enrollment and Discipline (OED) sent Petitioner "Notice of the Results of August 26, 1998 Examination," which stated that Petitioner passed the morning section, but scored 64 on the afternoon section. The Director of OED included a set of "Model Answers," explaining the questions and answers, and instructions for requesting regrade under the heading "To: Applicants Who Failed The August 26, 1998, Examination." The instructions stated that "[i]n order to expedite an applicant's appeal rights, all regrade requests will be considered in the first instance by the Commissioner." (Emphasis added). Petitioner's regrade request did not object to having his appeal rights expedited.

Petitioner argues that his request for a regrade should have been decided in the first instance by the Director of OED, and not by the Commissioner. According to Petitioner, the Commissioner "violated the rules set forth in the MPEP [Manual of Patent Examination Procedure] by intervening in an exam regrade." Petitioner argues that the Commissioner's action "denied Petitioner procedural appeal rights to a second appeal (appeal the OED decision)." According to Petitioner, the Commissioner violated MPEP § 1002.02(m)(4), which delegates decisions on regrade requests to the Director of OED.

MPEP Chapter 1000 is entitled "Matters Decided by Various Patent and Trademark Office Officials" and concerns delegations of authority to decide petitions. "[S]uch delegations aid in the efficient treatment of petitions," but the delegations "do not confer a right to have a matter decided by a specific Office official." MPEP § 1001.01 (emphasis added). Thus, Petitioner did not have "procedural due process rights" to have his regrade request decided by the Director of OED. Accordingly, the Commissioner's decision on Petitioner's regrade request did not deprive Petitioner of a right.

The Office's determination that the Commissioner would decide all petitions for regrade in the first instance did not violate any rule. Delegations in the MPEP are not rules or regulations. "The Manual does not have the force of law or the force of the rules in Title 37 of the Code of Federal Regulations." MPEP, Foreword. Moreover, MPEP § 1001.01 states that the delegations listed in Chapter 1000 "do not confer a right to have a matter decided by a specific Office official." See, e.g., *Premysler v. Lehman*, 1994 U.S. Dist. LEXIS 20078, 33 USPQ2d 1859, 1861 (D.D.C. 1994), *aff'd*, 71 F.3d 387, 37 USPQ2d 1057 (Fed. Cir. 1995) (to distinguish between a rule and policy of an agency, a court examines the agency's intent to be bound by the statement, including its practice). Further, the rule providing for regrade requests, Rule 10.7(c), does not state that the Director of OED will decide the regrade request.

Petitioner argues that he relied on the delegation in MPEP § 1002.02(m)(4) to provide an opportunity to further appeal, i.e., to appeal from a regrading decision by the Director of OED. However, Petitioner was informed in advance by instructions that regrading requests would be decided in the first instance by the Commissioner "in order to expedite an applicant's appeal rights."⁴ Thus, Petitioner was given specific notice that the delegation in MPEP § 1002.02(m)(4) would not be followed in regrading the August 26, 1998, exam. Petitioner's reliance in opposition to advance instruction was misplaced.

Petitioner was not "denied procedural rights to a second appeal" as he asserts. The regulations provide that an "applicant may request regrading of the examination"

⁴ Petitioner could have sought review of the Commissioner's final decision in the United States District Court for the District of Columbia under then 35 U.S.C. § 32. The 30-day period provided under the District Court's Rule L.Cv.R. 83.7 expired on August 23, 1999.

within two months of being notified of a failing grade. 37 C.F.R. § 10.7(c). Petitioner successfully exercised that right and received a final agency decision from the Commissioner. There are no “procedural rights” to repeated regrading decisions or to multiple appeals from the initial regrading decision.

Petitioner refers to “procedural due process rights provided by the MPEP 1002.02(m)(4).” For the reasons explained above, the MPEP does not create any such rights. To the extent that Petitioner may intend more fundamental due process rights, the opportunity for regrading more than satisfies Constitutional requirements. “[D]ue process is satisfied in the case of an applicant denied admission to the bar for failure to pass the bar examination where the applicant has the absolute, unqualified right to retake the examination.” *Lucero v. Ogden*, 718 F.2d 355, 359 (10th Cir. 1983). The Office’s registration exam is given on a regular basis, twice a year. Petitioner has the opportunity to retake the exam.

Moreover, in essence, Petitioner received two decisions concerning his exam grade. The Director of OED sent Petitioner the first decision with the exam results—model answers with explanations. Petitioner then received regrading of his exam and a review of the Director’s decision by the Commissioner. The Commissioner awarded credit for two of Petitioner’s answers and granted four points. The Commissioner considered Petitioner’s arguments regarding the remaining answers, and explained again why those answers were not satisfactory, and why the Director’s decision on those remaining answers would not be changed. Thus, Petitioner received an explanation from the Director, and then received a regrading, with explanation, from the Commissioner. Petitioner has not provided reasons why he should receive more than two explanations.

Petitioner also says that the Commissioner “denied Petitioner’s procedural right to an appeal from OED as granted by 37 C.F.R. 1.181(a)(3) ‘to invoke the supervisory authority of the Commissioner in appropriate circumstances.’” However, Petitioner’s request for regrading successfully invoked the supervisory authority of the Commissioner. Further, the regulations in 37 C.F.R. Part 1 concern “Rules of Practice in Patent Cases,” and are not germane to Petitioner’s request. The regulations pertinent to Petitioner’s request are found in 37 C.F.R. Part 10, “Representation of Others Before the Patent and Trademark Office.” Petitioner has not demonstrated that he was prejudiced by the review he received under Rule 10.7(c). The Commissioner reversed the decisions of the Director of OED concerning two of Petitioner’s answers, as requested by Petitioner. Thus, Petitioner received the benefit of an appeal from the decision of the Director of OED.

Petitioner urges that the Commissioner “grant Petitioner passage of the examination under 37 C.F.R. 10.170(a).” Rule 10.170(a) provides that “[i]n an extraordinary situation, when justice requires, any requirement of the regulations of this part which is not a requirement of the statutes may be suspended or waived by the Commissioner.” The regulation requiring a passing grade on the exam is reasonably related to the Commissioner’s statutory authorization to govern the recognition of agents, attorneys and other persons representing applicants before the office. *See* 35 U.S.C. § 2(b)(2)(D); *see also Kingsland* at 319 (these statutes “represent[] congressional policy in an important field”); *Sperry v. Florida*, 373 U.S. 379 (1963)(reaffirming right of PTO to require special technical and other qualifications of its practitioners); *Leeds v. Mosbacher*, 732 F. Supp. 198, 200 (D.D.C.), *aff’d*, 918 F.2d 185 (Fed. Cir. 1990)(the Commissioner has the responsibility to protect PTO proceedings from unqualified

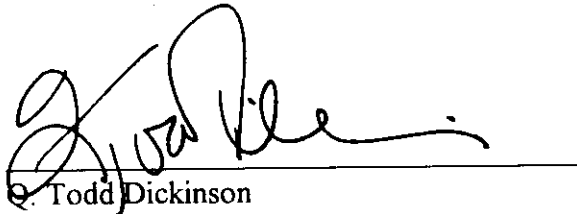
practitioners). Petitioner has not identified an extraordinary situation that requires a waiver of the exam requirement, nor has Petitioner shown that justice requires assigning him a passing grade.

The harm Petitioner complains of—denial of a second appeal—is a procedural issue that does not merit the requested substantive remedy, i.e., waiving the exam requirement under 37 C.F.R. § 10.170.

Petitioner reiterates arguments concerning his answers to exam questions 10, 22, 30, and 32, and presents some new arguments. These arguments will not be considered because Petitioner received a regrade decision that was a final agency action.

ORDER

Upon consideration of the petition for appeal to the Commissioner after final agency action, it is ORDERED that the petition is denied.

A handwritten signature in black ink, appearing to read "Todd Dickinson", is written over a horizontal line.

Todd Dickinson
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office

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